

13318 N. Boulevard  
PO Box 69  
Vicksburg, MI 49097  
269-649-0495 or 269-649-1381  
Fax 269-649-4922  
www.skcfra.org

**South Kalamazoo  
County Fire Authority**

**Fax**

**To:** Shawn - Village of Dexter  
**From:** Tracy Locey, Administrator  
**Fax:** 734-947-9726  
**Pages:** 21  
**Phone:** 313-363-1434  
**Date:** 1/18/2010  
**Re:** Authority Articles & Financing Plan  
**cc:**

☐ Urgent    ☐ For Review    ☐ Please Comment    ☐ Please Reply    ☐ Please Recycle

**• Comments:**

Shawn,

Please let me know if I can provide any further information. The entities involved are pleased with the way the Authority has evolved over the years. The basis is the same; however we have overcome the initial personnel issues that arise from change.

Tracy Locey, Administrator

*We are made up of 4 townships and 2 villages.*

*The information contained in this facsimile transmission is of a confidential nature and misuse of this information could result in criminal action. If you have received this fax in error or are experiencing trouble receiving all of the pages attached, please contact us at (269) 649-0495.*

**ARTICLES OF INCORPORATION  
OF SOUTH KALAMAZOO COUNTY FIRE AUTHORITY  
(March 1999 original)**

These Articles of Incorporation are adopted by the Incorporating municipal corporations for the purpose of creating an authority under the provisions of Michigan Public Act No. 57 of 1988, as amended (MCL 124.601 et seq) (the "Act") to provide fire protection services and other emergency services within the Incorporating municipalities.

**ARTICLE I  
NAME AND PRINCIPAL OFFICE**

The name of this Authority is the "South Kalamazoo County Fire Authority". The principal office of the Authority shall be located at the municipal offices of the Township of Schoolcraft, or at such other location as may be designated by the incorporating municipalities or the Authority Board.

**ARTICLE II  
INCORPORATING MUNICIPALITIES**

This Authority is created by the following municipal corporations within the County of Kalamazoo, State of Michigan, which are each herein designated as an incorporating municipality: the Village of Schoolcraft, the Village of Vicksburg, the Township of Brady, the Township of Prairie Ronde, the Township of Schoolcraft, and the Township of Wakeshma.

**ARTICLE III  
PURPOSE AND JURISDICTION**

The purpose of the Authority is to provide fire protection services and related emergency health and safety services within and throughout the total territory of the incorporating municipalities. The Authority may also provide such other emergency services within or without the territory of the incorporating municipalities as may be authorized pursuant to contract with the Authority by any municipality, and in accordance with the authorization of the Act.

ARTICLE IV  
DEFINITIONS

The term "emergency services" means fire protection services, emergency medical services, police protection, and any other emergency health or safety services, as designated in these Articles.

The term "incorporating municipalities" means the 6 municipalities initiating this Authority as designated in Article II herein; and such other municipalities as may become incorporating municipalities in the future by amendment of these Articles as provided herein.

The term "municipal emergency service" means an emergency service performed by a municipality, rather than by the Authority.

The term "municipality" means a county, city, village, or township.

The term "related emergency health and safety services" means health and other medically-related services rendered in conjunction with the provision of fire protection services.

The term "service area" means the total territory of the incorporating municipalities, and such additional geographic areas outside of the incorporating municipalities to which the Authority may provide emergency services pursuant to contract with any municipality, as authorized herein.

Other terms shall have such meaning as may be specified in the various provisions of these Articles of Incorporation.

ARTICLE V  
BODY CORPORATE

This Authority shall be a body corporate, with power to sue or be sued in any court of this State. The Authority shall have a corporate seal.

Bonds issued by the Authority and contracts entered into by the Authority shall be executed in the name and on behalf of the Authority by the Chairperson and Secretary of the Authority, and the corporate seal of the Authority or facsimile thereof shall be printed on or affixed to such bonds and contracts.

ARTICLE VI  
FISCAL YEAR

The fiscal year of the Authority shall be April 1 - March 31.

ARTICLE VII  
ESTABLISHMENT AND COMPENSATION OF AUTHORITY BOARD

A. Establishment and Membership.

The governing body of this Authority shall be a board known as the "South Kalamazoo County Fire Authority Board", or "Authority Board". The Authority Board shall be composed of seven members, consisting of one voting representative from each incorporating municipality and one voting representative from the territorial area of the Authority at large.

B. Appointment and Term of Board Members Representative of Incorporating Municipalities.

The governing body of each incorporating municipality shall appoint one member of the Authority Board. The initial appointments of such members shall occur within 60 days after these Articles become effective. The term of each such initial Authority Board member appointed in 1999 shall end December 31, 2000. Thereafter, the term of each such Authority Board member shall be four years, except that of the terms beginning January 1, 2001 the terms of two of such members shall be two years, the terms of two of such members shall be three years, and the terms of two of such members shall be four years, to effect staggered terms of office of such board members. The assignment of the staggered terms shall be determined by lottery draw by the governing bodies of the incorporating municipalities. Thereafter, the term of each such Authority Board member shall be four years. Successors shall be appointed by the pertinent governing body of each incorporating municipality on or before December 15 of each year that a term of office expires.

C. Appointment and Term of At-Large Board Member.

The at-large Authority Board member shall be nominated by the governing body of at least one of the incorporating municipalities, and shall be appointed by a majority of the Authority Board members appointed by the governing bodies of the incorporating municipalities. The term of office of the at-large member shall begin on the first meeting

following his or her appointment and end on the last day of the 23<sup>rd</sup> month following said appointment.

D. Alternate Authority Board Members.

The governing body of each incorporating municipality shall also appoint one alternate member of the Authority Board, to serve as a voting member of the Authority Board only in the absence of the principal Authority Board member appointed by the alternate member's respective incorporating municipality.

An alternate at-large member shall also be appointed in the same manner as the principal at-large Authority Board member is appointed, to serve as a voting member of the Authority Board only in the absence of the principal at-large member.

E. Authority Board Member Qualifications.

Each member of the Authority Board appointed by the governing body of an incorporating municipality shall be a qualified elector residing within the territorial boundaries of that incorporating municipality.

The at-large Authority Board member shall be a qualified elector residing within the territorial boundaries of the incorporating municipalities.

A member of the Authority Board shall not be a member or employee of an emergency services entity of any incorporating municipality at the time the duties of said entity are transferred to or assumed by the Authority. A member of the Authority Board shall not be a member or employee of any emergency service operated by the Authority itself.

Each member of the Authority Board appointed by the governing body of an incorporating municipality shall qualify for office by taking the constitutional oath of office and filing same with the municipal clerk of the appointing municipality. The at-large member of the Authority Board shall similarly qualify for office by taking the constitutional oath of office and filing same with the Authority Board.

F. Compensation and Expenses.

The members of the Authority Board may receive such compensation for serving on the Board, if any, as may be included in the approved budget for the Authority.

Members of the Authority Board may also be reimbursed for actual expenses incurred in the performance of their duties, as may be approved by the Authority Board and to the extent authorized by the approved budget for the Authority.

#### ARTICLE VIII VACANCIES AND REMOVAL OF BOARD MEMBERS

A. Vacancies.

In the event of a vacancy on the Authority Board by a member appointed by the governing body of an incorporating municipality, that governing body shall fill the vacancy for the unexpired term. The alternate member of the Authority Board appointed by the governing body of the same incorporating municipality shall serve until the vacancy is filled.

In the event of a vacancy on the Authority Board by an at-large member the Authority Board shall fill the vacancy for the unexpired term. The alternate at-large member shall serve until the vacancy is filled.

B. Removal.

Any member of the Authority Board appointed by the governing body of an incorporating municipality may be removed from the Authority Board at any time for cause or without any cause by action of the governing body of that incorporating municipality. The at-large member of the Authority Board may be removed from the Authority Board at any time for cause or without cause by action of a majority of the governing bodies of the incorporating municipalities.

#### ARTICLE IX AUTHORITY OFFICERS

The Authority Board shall elect from its membership a Chairperson, a Vice-Chairperson, and a Secretary. The Authority Board shall also select a Treasurer, who shall not be a member of the Authority Board. The Authority Board may also select an Assistant Secretary and Assistant Treasurer, who shall not be members of the Authority Board.

The terms of all elected officers shall be 1 year, or until their respective successors are elected.

The Chairperson of the Authority Board shall be the presiding officer at all meetings of the Board. Except as may be otherwise provided herein, the Chairperson shall not have

any executive or administrative function in the Authority, other than as a member of the Authority Board.

The Secretary or designee of the Secretary shall be the official custodian of the records of the Authority.

In the event of a vacancy in any office of the Authority Board such vacancy shall be filled by the Authority Board for the unexpired term of that office.

In the event of the temporary absence or disability of any officer not constituting a vacancy in office the Authority Board may appoint another member of the Board to act temporarily in his or her stead; except that in the event of the temporary absence or disability of the Chairperson the Vice-Chairperson shall always serve as the acting chairperson.

The officers of the Authority Board shall have such authority and responsibility as may be prescribed in these Articles, and such other powers and duties as may be conferred upon them by the Authority Board and not inconsistent with these Articles and any applicable provision of law.

#### ARTICLE X AUTHORITY BOARD MEETINGS

A. Annual Organizational Meeting.

The Authority Board shall hold its initial meeting within 60 days after these Articles become effective, for the purpose of organizing and election of officers as provided herein. An annual organizational meeting of the Authority Board shall thereafter be held on the second Monday of January of each year at 8:00 p.m.

B. Regular and Special Meetings and Notice to Members.

The Authority Board shall hold at least one regular meeting during each quarter of the fiscal year, including the annual organizational meeting in January, at such time and place as shall be prescribed by the Authority Board. The Authority Board may also hold such special meetings as may be deemed necessary by the call of the Chairperson or by any three members of the Authority Board. Written notice of the time, place, purpose, and proposed agenda of each special meeting shall be served upon each member of the Authority Board personally, or by leaving such notice at the members' place of residence at least eighteen hours prior to the time of the meeting, or by mailing such notice from a United States Post Office or mailbox within the service area of the Authority to the

residential or business address of the member at least seventy-two hours prior to the time of such meeting with first-class postage fully prepaid. Notwithstanding the foregoing, the absence of written notice to each member as specified above shall not be deemed to invalidate a special meeting at which all members are present. Further, any member of the Authority Board may waive notice of any meeting either before, during, or after the meeting.

C. Public Notice of Meetings.

Public notice of all regular meetings, special meetings, and re-scheduled meetings of the Authority Board shall be given as required by the applicable provisions of the Michigan Open Meetings Act (MCL 15.261-15.275) as may be amended from time to time. Such notices shall also be posted in the places for the posting of public notices at the municipal offices of each incorporating municipality.

D. Minutes of Meetings.

The Authority Board shall maintain minutes of its meetings in accordance with the Michigan Open Meetings Act. Approved minutes shall be signed by the Secretary. The minutes shall record the votes of each member on all matters voted upon by the Authority Board, except that where a vote is unanimous, it shall only be necessary to so state. The Secretary of the Authority Board shall provide a copy of the approved minutes of all meetings of the Authority Board to the Clerk of each incorporating municipality within 15 days after approval of such minutes.

E. Quorum of Board.

A majority of the members of the Authority Board shall constitute a quorum.

F. Motions and Resolutions.

All official action by the Authority Board shall be by motion or resolution. A motion shall not carry unless it is approved by a majority of a quorum. A resolution shall not carry unless it is approved by a majority of the full membership of the Board.

G. Voting Rights.

All principal members of the Authority Board, and the alternate members when serving, shall have full, equal rights of vote, voice and office on the Authority Board, except as otherwise provided in these Articles of Incorporation.



ARTICLE XI  
FINANCE AND BUDGET

A. Authority Funds and Treasurer.

The Treasurer or designee of the Treasurer shall be the custodian of all funds of the Authority and shall give a bond conditioned upon the faithful performance of the duties of his or her office.

All monies received by the Authority shall be deposited in banks or other lawful depositories designated by the Authority Board.

All checks or other forms of withdrawal on any account of the Authority shall be signed by two persons, one of whom shall be the Treasurer or designee of the Treasurer, and one may be, upon resolution of the Authority Board, the chief administrative employee of the Authority. All authorized signatories shall give a bond conditioned upon the faithful performance of the prescribed duties.

The cost of the bonds provided for herein shall be paid by the Authority.

B. Annual Authority Budget.

The Authority Board shall prepare a proposed operating and capital budget reflecting the projected revenues and projected expenditures of the Authority for the next fiscal year. The Authority Board shall adopt a tentative budget by a majority vote of the membership of the Authority Board in such a manner as to assure submission of the adopted tentative budget to the incorporating municipalities by no later than December 1 of each year. The member of the Authority Board appointed by the governing body of each incorporating municipality shall be responsible for submission of the tentative budget adopted by the Authority Board to the appointing governing body. After approval of the tentative budget by the governing body of each incorporating municipality the Authority Board shall give final approval to the Authority budget for the ensuing fiscal year.

C. Accounting and Budgeting Practices.

The accounting and budgeting practices of the Authority shall conform with standard accounting practices, the Uniform Budgeting and Accounting Act (MCL 141.421 et seq) as may be amended, and all other applicable provisions of law.

ARTICLE XII  
POWERS OF AUTHORITY AND AUTHORITY BOARD

A. Specific Powers.

The Authority, through official action by the Authority Board, shall have the specific power to do all of the following, to the extent not in conflict with any provision of these Articles or any applicable law:

1. Adopt rules of procedure governing meetings of the Authority Board.
2. Adopt by-laws and/or rules governing the internal administration and functioning of the Authority.
3. Adopt rules and regulations for the use of personal and/or real property owned by or otherwise in the possession of or used by the Authority.
4. Acquire property by purchase, lease, gift, devise, or condemnation, either within or without the service area of the Authority.
5. Hold, manage, control, sell, exchange, or lease property acquired by the Authority.
6. Apply for and accept grants, loans, or other contributions from federal, state, or local units of government, or any agencies thereof, or any other public or private agencies; and do any and all things necessary or desirable to secure such financial or other aid or cooperation in carrying out any of the purposes of the Authority and the Act.
7. Enter into interlocal agreements with the incorporating municipalities and any other municipalities pursuant to the Urban Cooperation Act of 1967 (MCL 124.501 et seq) as may be amended, and 1951 PA 33, as amended (MCL 41.801 et seq).
8. Enter into any contracts with other public or private entities not prohibited by law.
9. Investigate emergency services requirements, needs, and programs within or without the service area of the Authority at any given time, and cooperate with applicable governmental authorities with regard to such investigations.

10. Hire one or more fire chiefs, deputy or assistant chiefs, and such other command positions and other employees, accountants, attorneys, and consultants as the Authority Board considers advisable to carry out the purposes of the Authority; and/or contract with any incorporating municipality or other municipality for the services of employees of same.

Emergency service employees of an incorporating municipality whose employment/duties are transferred to the Authority shall be given comparable positions with the Authority, and shall maintain the seniority status and benefit rights of the position held with the incorporating municipality before such transfer, subject to the exceptions and provisions of Section 10 of the Act (MCL 124.610). The Authority shall have all of the powers provided by Section 10 of the Act, and be subject to all of the provisions, restrictions, and limitations therein with respect to employment.

11. Recommend to the incorporating municipalities any amendment of these Articles considered by the Authority Board to be advisable, including an amendment to add one or more additional participating municipalities.
12. Such additional specific powers and duties as may be designated by other provisions of these Articles.

B. General Powers.

In addition to the foregoing specific powers, the Authority and the Authority Board shall have all such general and implied powers as are necessary to facilitate the proper fulfillment of the purposes of the Authority, except as may be specifically restricted herein.

C. Limitation on Authority to Obligate Incorporating Municipalities.

Notwithstanding any powers granted herein, except as may be specifically set forth in these Articles the Authority shall not incur any obligation which may at any time become in whole or in part a liability of one or more individual incorporating municipalities, without the prior consent of such incorporating municipalities.

ARTICLE XIIIDELEGATION TO AUTHORITY OF EXISTING FIRE PROTECTION AND RELATED  
EMERGENCY HEALTH AND SAFETY SERVICES; DELEGATION OF OTHER  
EMERGENCY SERVICES; OTHER CONTRACTS FOR EMERGENCY SERVICES

The incorporating municipalities hereby delegate to the Authority the responsibility and authority to provide fire protection services and related emergency health and safety services within the entire territory of the incorporating municipalities. This delegation shall be effective on the 61<sup>st</sup> day after the effective date of these Articles of Incorporation (herein the "delegation date"). All personal property, equipment, and vehicles owned by the incorporating municipalities for fire protection and/or related emergency and health services, whether owned by one incorporating municipality or owned jointly by more than one incorporating municipality, shall be transferred to the ownership and control of the Authority contemporaneous with the delegation date. Debts and other liabilities incurred prior to the delegation date by one or more of the incorporating municipalities shall not be transferred to the Authority without the consent of the governing body of each incorporating municipality.

An incorporating municipality and the Authority may enter into an assignment to the Authority of the incorporating municipality's rights/liabilities under a contract between the incorporating municipality and any other entity, related to the provision of emergency services by the Authority as provided in these Articles.

The Authority may also enter into a contract for emergency services provided by the Authority with any other municipality or any entity thereof. The fees and charges for services provided to a non-incorporating municipality shall not be required to be the same as the fees and charges incurred by an incorporating municipality for comparable services pursuant to these Articles.

Charges and fees specified in a contract shall be subject to increase by the Authority, if necessary, in order to provide funds to meet the obligations of the Authority.

The Authority shall not enter into any contract for a period exceeding thirty years.

ARTICLE XIV  
FINANCING THE AUTHORITY

A. Financial Contribution From Each Incorporating Municipality.

1. The Authority Board shall annually determine the amount of each incorporating municipality's financial contribution to the approved Authority budget for the ensuing fiscal year pursuant to a "cost-weighted formula" accounting for population, taxable value and historical usage factors, as follows:

--- Population: Thirty percent (30%) of the total budget amount, excluding projected revenues received from sources other than the incorporating municipalities, shall be allocated between the incorporating municipalities based on the population of each incorporating municipality in proportion to the total population of the incorporating municipalities, as determined pursuant to the most recent United States Census Bureau Report.

--- Taxable Value: Thirty percent (30%) of the total budget amount, excluding projected revenues received from sources other than the incorporating municipalities, shall be allocated between the incorporating municipalities based on the taxable value of each incorporating municipality in proportion to the total taxable value of all the incorporating municipalities, according to the most recent approved assessment rolls for each incorporating municipality. Property in a village shall not be included in the taxable value of a township for purposes of this paragraph.

--- Historical Usage: Forty percent (40%) of the total budget amount, excluding projected revenues received from sources other than the incorporating municipalities, shall be allocated between the incorporating municipalities based on the total personnel hours/apparatus used in each incorporating municipality in proportion to the total number of personnel hours/apparatus used in all the incorporating municipalities, as determined using the most recently completed three calendar years of report data. As used in this paragraph "personnel hours" shall be calculated by multiplying the total number of personnel on each call by the total length of each call; and the number of "apparatus" shall be calculated based on the total number of distinct, motorized vehicles or other rolling stock used on each call.

In applying this cost-weighted formula the calculations of population, taxable value and historical usage must each equal 100%; and the overall percentage cost allocations for each of the incorporating municipalities must together equal 100%.

2. Payment of Financial Contribution.

Each incorporating municipality shall pay to the Authority not less than 1/12th of its total calculated financial contribution for each fiscal year on the first day of each month of the pertinent fiscal year.

B. Negotiable Bonds.

For the purpose of obtaining funds for the acquisition, construction, improving or extending of emergency services within the scope of these Articles, the Authority Board may by resolution determine to issue negotiable bonds, secured by the contractual full faith and credit pledges of each incorporating municipality, in accordance with and subject to the provisions of the Act.

C. Revenue Bonds.

For the purpose of acquiring, constructing, improving or extending emergency services within the scope of these Articles, or buildings, land, equipment, and the provision of such emergency services, the Authority Board may by resolution determine to issue self-liquidating revenue bonds in accordance with Michigan Public Act No. 94 of 1933, as amended (MCL 141.101-141.139) and any other statute providing for the issuance of revenue bonds, which bonds shall be payable solely from the revenues of the emergency services operations of the Authority.

D. Property Tax Levy.

The Authority may levy a tax for the purposes of these Articles and the Act upon all of the taxable property within the jurisdiction of the Authority; provided that no such tax shall be levied without the prior approval of a majority of the registered electors residing within the Authority's jurisdiction and qualified to vote and voting on such tax at a general or special election. Such an election may be called by resolution of the Authority Board. Upon adoption of such a resolution, the Secretary of the Authority shall file a copy of the resolution with the Clerk of each incorporating municipality not less than 60 days before the date of the election. The resolution shall contain a statement of the tax levy proposition to be submitted to the electors. The Clerk and other appropriate officials of each incorporating municipality shall undertake those steps necessary to properly submit the proposition to the electors of each respective incorporating municipality at the election specified in the resolution of the Authority Board. The election shall be conducted in accordance with all applicable provisions of Michigan law. Not more than one such election for approval of a tax levy shall be held in a calendar year. If a tax levy proposition is voted upon at a special election where no other items are on the ballot, the Authority shall pay the costs of the election in their entirety. If the proposition is voted upon at a

special election where any other matters are on the ballot, the Authority shall pay a proportionate share of the costs of the election based on the number of ballot items.

Taxes authorized pursuant to this Article may be levied at a rate not to exceed 3.0 mills, and for a period determined by the Authority Board in the resolution calling the election and as set forth in the proposition submitted to the electors, subject to all applicable provisions of law. The Secretary of the Authority Board shall at appropriate times certify to the proper tax assessing/collecting officers of each incorporating municipality the amount of taxes to be levied and collected by each incorporating municipality. Such taxes shall be levied, collected and paid to the Authority as provided by law.

E. Special Assessments.

The Authority may levy special assessments upon all real property within the jurisdiction of the Authority as provided by and pursuant to applicable provisions of law.

F. Service Fees.

The Authority may impose fees and charges for emergency services upon the beneficiaries of such services within the service area of the Authority, to the extent authorized by law and by ordinances enacted by the governing bodies of the incorporating municipalities and/or the governing body of any other municipality to which the Authority provides services. The imposition of such service fees shall be preceded by the adoption of emergency services fees ordinances by the incorporating municipalities and/or other participating municipalities, which ordinances shall be substantially similar to each other, and shall include a uniform schedule of fees and charges recommended by the Authority Board based on the run-cost of such services. The imposition of such fees shall also be preceded by an interlocal contract between the incorporating municipalities and/or other participating municipalities assigning to the Authority the municipalities' authorization to administer the ordinance in said municipality. Notwithstanding the foregoing, the incorporating municipalities and any other participating municipality shall be considered to have reserved the power and discretion to exempt, reduce, or waive the uniform fees and charges, in whole or in part, as to specific properties, persons, services, classes, or incidents, to the extent allowed by law, and shall notify the Authority of any such exemptions, reductions, or waivers. The Authority shall calculate the total amount of the fees and charges so exempted, reduced or waived by a municipality not less than once each quarter of the fiscal year, and said municipality shall pay the Authority the amount calculated within thirty days of billing. Each municipality approving an exemption, reduction, or waiver of the uniform fees and charges shall indemnify the Authority for all costs incurred in defense of such exemption, reduction, or waiver granted by that

municipality, including actual attorney's fees incurred by the Authority in connection with said defense.

G. Revenue Sources are Non-Exclusive and Supplementary.

The sources of revenue for financing the Authority specified herein are non-exclusive, and the Authority shall not be precluded from pursuing such other source or sources of revenue to finance the Authority as may be allowed by law.

The authorization in this Article for the Authority to generate revenues by various means and sources shall not be construed to in any manner preclude any incorporating municipality from generating revenue from such sources as may be authorized by law to finance its financial contribution to the Authority as required herein.

ARTICLE XV  
AUDIT

The Authority Board shall cause an annual audit to be made of its financial transactions and affairs by a certified public accountant selected by the Authority Board, and shall submit at least two copies of such audit report to the Clerk of each incorporating municipality.

ARTICLE XVI  
WITHDRAWAL OF INCORPORATING MUNICIPALITY

Any incorporating municipality may withdraw from the Authority upon at least twelve months written notice before the beginning of the next fiscal year of the Authority. An incorporating municipality that withdraws from the Authority shall remain liable for a portion of the debts and liabilities of the Authority incurred while the municipality was part of the Authority, based on the cost-weighted formula for the last fiscal year the municipality was part of the Authority. An incorporating municipality that withdraws from the Authority shall also continue to be subject to any tax levied in its jurisdiction pursuant to Article XIV herein and Section 12 of the Act (MCL 124.612) for the duration of that tax as determined by law. A withdrawal becomes effective at the end of the fiscal year which affords at least the required twelve months notice from the beginning of said fiscal year. Any Authority-owned property in the possession of the withdrawing municipality or in the possession of personnel who will no longer remain with the Authority after the withdrawal shall be returned to the Authority before the withdrawal becomes effective. The withdrawing municipality shall not be entitled to the return of or any credit for any property or money it transferred to or paid to the Authority.



ARTICLE XVII  
DURATION AND DISSOLUTION OF AUTHORITY

The Authority shall continue to exist in perpetuity, or until dissolved by law or by act of the incorporating municipalities as provided herein.

The Authority may be dissolved by the concurring resolution of the governing bodies of all the incorporating municipalities participating in the Authority at the time of such dissolution. Prior to dissolution of the Authority any outstanding indebtedness of the Authority shall be paid. Any assets of the Authority remaining after the payment of indebtedness shall be distributed to the incorporating municipalities participating in the Authority at the time of the dissolution in the ratio of their most recent respective financing contribution calculated pursuant to the cost-weighted formula in Article XIV herein.

Notwithstanding the foregoing, the Authority shall not be dissolved if such dissolution could operate as an impairment of any of its contracts; provided that the Authority may be dissolved where the outstanding indebtedness of the Authority exceeds the assets of the Authority, if the net indebtedness is assumed and paid by the incorporating municipalities then participating in the Authority in the ratio of their most recent respective financing contributions as determined by the cost-weighted formula in Article XIV herein.

ARTICLE XVIII  
AMENDMENT OF ARTICLES

These Articles of Incorporation may be amended to allow any other municipality to become an incorporating municipality of the Authority, upon approval of appropriate amendments by the governing body of such municipality and by the governing body of each incorporating municipality of which the Authority is composed at that time.

Other amendments to these Articles of Incorporation may be made upon approval by the governing body of each incorporating municipality of which the Authority is composed at that time.

Any amendment of these Articles of Incorporation shall be published and otherwise promulgated in the same manner as required for the original Articles of Incorporation, except that the printed and filed copies of the amendment shall be certified by the Secretary of the Authority.

ARTICLE XIX  
PUBLICATION AND PROMULGATION OF ARTICLES

These Articles of Incorporation shall be published once in the South County Commercial-Express, Vicksburg, Michigan, which newspaper has general circulation within the incorporating municipalities.

One printed copy of the Articles of Incorporation, certified as a true copy, with the date and place of publication shown by the publisher's Affidavit of Publication attached thereto, shall be filed with the Michigan Secretary of State.

The Supervisor of the Township of Schoolcraft is hereby designated as the person to cause these Articles to be published, certified, and filed as required above. In the event that he or she is unable to act or shall neglect to act in a timely manner, then the Clerk of the Township of Schoolcraft shall act in his or her stead.

ARTICLE XX  
EFFECTIVE DATE

These Articles of Incorporation and the authority established thereby shall become effective upon the publication and promulgation of these Articles as provided in the preceding Article.

ADOPTION RECITATIONS

These Articles of Incorporation have been adopted by the several incorporating municipalities as set forth on the following pages:

## FINANCING THE AUTHORITY

At the time of submission of the budget to the Incorporating Municipalities, the Authority will inform each Municipality of such Municipality's cost for services for the fiscal year covered by the budget. Each Municipality's costs will be calculated according to the formula set forth in Paragraphs A through D of the "cost weighted formula" set forth hereafter. After approval of the budget, each Municipality shall pay it's share of the costs ..... ?

- A. It is agreed by all the Incorporating Municipalities that at the time of the formal establishment of the "Fire Authority" the "cost weighted formula" will be used to determine each Municipalities portion of the overall budget.
- B. The three (3) factors to be included in the "cost weighted formula" shall be population, taxable value and historical usage.
  1. Population: The number of residents in the geographical boundaries of the Incorporating Municipalities shall be determined from the most recent United States Census Bureau Report. The total population for all of the Incorporating Municipalities shall be determined and a percentage population share calculated for each Incorporating Municipality.
  2. Taxable Value: The Incorporating Municipalities shall each compute the total taxable value of all property in their respective Municipality by using the most recent assessment roll.
  3. Historical usage: To calculate usage for each Incorporating Municipality the following formula shall be used: total number of personnel on each call times the total length of each call will give the total man-hours. Then that sum will be multiplied by the total number of apparatus used on each call to arrive at a total usage figure. The total usage utilized in responding to calls shall be calculated for each Incorporating Municipality for the prior three (3) years and an average determined for each Municipality and a percentage share calculated for the Municipality.
- C. The Incorporating Municipalities agree to a weighted average of thirty (30%) percent for population; thirty (30%) percent for taxable value and forty (40%) percent for historical usage.
- D. The application of the "cost weighted formula" is as follows:
  1. Each Municipality's respective share of population, taxable value and historical usage are multiplied by the weighted average resulting in a percentage of population, taxable value and historical usage for each Incorporating Municipality. ( see tables 1, 2 and 3 for examples )
  2. Next, the products of all the multiplication's are added together for each Municipality. ( see table 4 for an example )

3. The overall percentages for each calculation of population, taxable value and historical usage must equal 100% . The overall percentage costs for each of the Incorporating Municipalities together must equal 100%.

## tables

Table 1: Population

Unit	population	%total population
Muni A	4,575	53.5
Muni B	2,225	26
Muni C	1,750	20.5
total	8,550	100

Table 2: Taxable Value

Unit	Taxable Value	% Taxable Value
Muni A	65,000,000	57
Muni B	27,000,000	23.7
Muni C	22,000,000	19.3
Total	114,000,000	100

Table 3: Usage

Unit	Usage 3 Year Avg.	% Usage
Muni A	640	41.8
Muni B	480	31.4
Muni C	410	26.8
Total	1,530	100

Table 4: Factor share  
(factor weight x percent factor)

Unit	Population 30% (1)	Taxable 30% (2)	Usage 40% (3)	Sum weights (1+2+3)
Muni A	0.161	0.171	0.167	0.499
Muni B	0.078	0.071	0.126	0.275
Muni C	0.061	0.058	0.107	0.226
Total	0.3	0.3	0.4	1

